Approved For Release 2000/05/18 : CIA-RDF82-00457R00360039 INFORMATION REPORT CD NO. OUNTRY China/Burma 15 NOV 49 DATE DISTR. Chinese Forces in Southern Yuanan and Kengtung SUBJECT NO. OF PAGES 1 25X1A LACE NO. OF ENCLS. **CQUIRED** SUPPLEMENT TO 25X1A DATE OF INF 25X1X REPORT NO. 110 Sao-hong's troops in Kentung* have divided into three smaller units neder the command of CHOU Shern. CHERN Siem-bou, and LOH Kung. 2. The 26 Chinese Nationalist Army in Yunnan is commanded by Lt. Gen. YU Cheng-wen. Maj. Gen. PENG Tso-hsi is Deputy Commander-in-Chief. This semy is composed of the 93 Division, under Maj. Gen. YEH Chi-nan, and the 193 Division, commanded by Maj. Gen. FU Ya-fu and Maj. Gen. CHIN Yeh.** The 26 Army troops are based south of Szemao and probably maintain headquarters in the city of Szemeo. 25X1A Comment reported that a detachment of Communist 25X1A troops under LIU entered Kengtung disguised as opium traders. They are at Ban Tha Kee Lhek (99-30, 20-50), opposite Mae Sai, where they are engaged in trading opium for kerosene, clothes and medicines. 25X1A Comment. This may well be a major line of supply for Communist troops in southern Yunnan. Because of the geographical position of the Communists and the number of Nationalist troops to the north, it is doubtful whether the other Communist forces in China are yet able to furnish the Communist troops in southern Yunnan substantial meterial assistance. 25X1A *** Comment. It has been reported that the 161 Division is also a. 25X1A component of the 26 Chinese Nationalist Army. reported that a Emomintang (KMT) liaison group from Bangkok was aiding in the formation of a single unit of 15,000 men from the personnel of the 93 Division and the 105 Division. 25X1A Comment. It is not known whether the 193 Division is the same unit as the 105 Division, or a separate unit. This document is hereby regraded to Document CONFIDENTIAL in accordance with the No Chlan letter of 16 October 1978 from the Director of Central Intelligence to the Archivist of the United States. Next Review Date: 2008 5. OFFICIALS ONLY CLASSIFICATION CO NAVY # STATE A NSRB TRIBUTION

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